



Alabama Economic Update

October 21, 2016

Summary

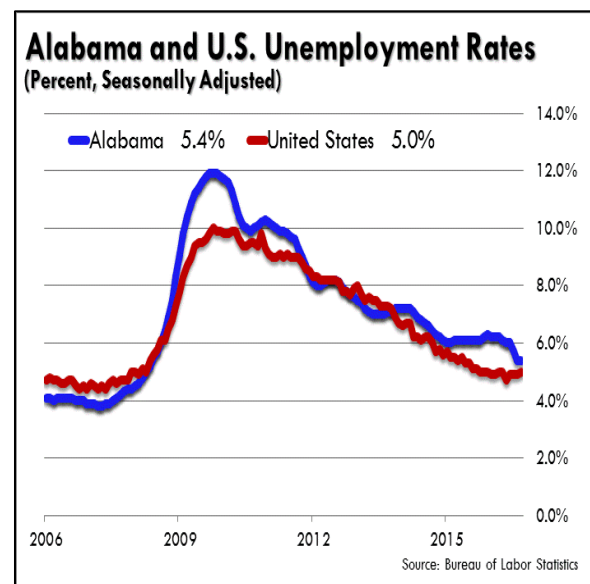
Nonfarm payroll employment in Alabama declined by 6,600 jobs, and the unemployment rate was unchanged at 5.4 percent in September according to data released by the Bureau of Labor Statistics (BLS).

Alabama Unemployment Rate

During September, the unemployment rate in Alabama was unchanged at 5.4 percent. The number of people counted as unemployed rose by 829 in September to 117,125, while the labor force grew by 8,569 to 2,165,382. Among the 50 states and the District of Columbia, 35 posted lower unemployment rates for the month than Alabama. A year earlier, the unemployment rate in Alabama stood at 6.1 percent.

The 10-year peak for the unemployment rate in Alabama was 11.9 percent in November 2009. The series high for the unemployment rate in Alabama occurred in December 1982 when the unemployment rate reached 15.5 percent. The 10-year low for the unemployment rate was 3.8 percent in April 2007. This also represents the series low for the unemployment rate in Alabama. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate rose by 0.1 percentage point to 5.0 percent in September. September's unemployment rate was 0.1 percentage point lower than a year earlier. The 10-year high for the national unemployment rate was 10.0 percent in October 2009. The 10-year low was 4.4 percent in May 2007.



Alabama Payroll Employment

Alabama nonfarm payrolls declined by 6,600 jobs, or 0.33 percent, on a seasonally adjusted basis during September. In the prior month, nonfarm payrolls increased by 8,100. Over the past 12 months, nonfarm payrolls in Alabama increased by 16,300, or 0.84 percent. Alabama nonfarm payroll employment has increased in 8 of the past 12 months.

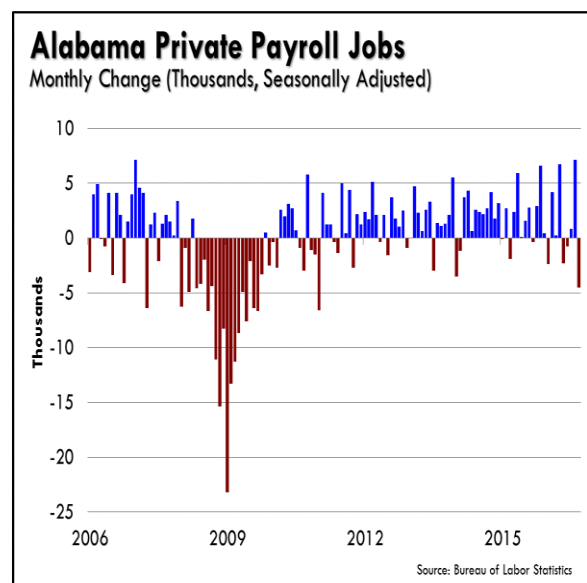
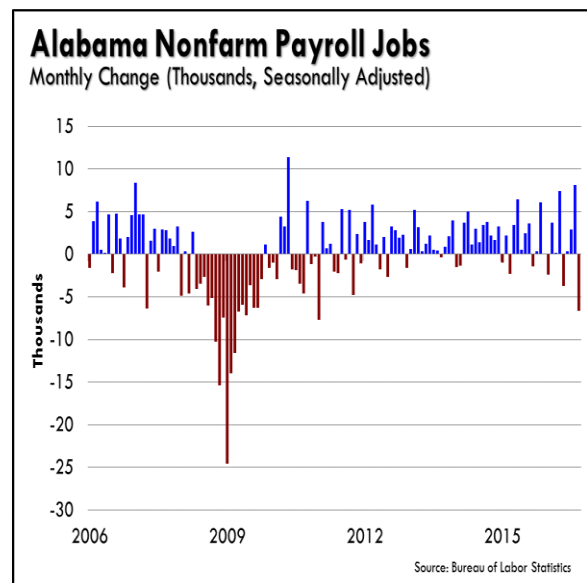
Nationally, nonfarm payrolls increased by 156,000 jobs in September, or 0.11 percent. Over the 12-month period ending September 2016, nonfarm payrolls grew by 2,447,000 jobs, or 1.72 percent. Alabama ranks 38th among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During September, Alabama private-sector payrolls declined by 4,500, or 0.28 percent. Private-sector payrolls increased by 7,100 jobs in the prior month. Over the past 12 months, private-sector payrolls in Alabama increased by 18,900, or 1.20 percent. Alabama private-sector payroll employment has increased in 8 of the past 12 months.

Nationally, private-sector payroll jobs increased by 167,000 jobs in September, or 0.14 percent. Over the past 12 months, the nation's economy has added 2,302,000 jobs in the private-sector, an increase of 1.91 percent. Alabama ranks 34th among the 50 states and the District of Columbia for percentage gain in private-sector payroll employment over the past 12 months.

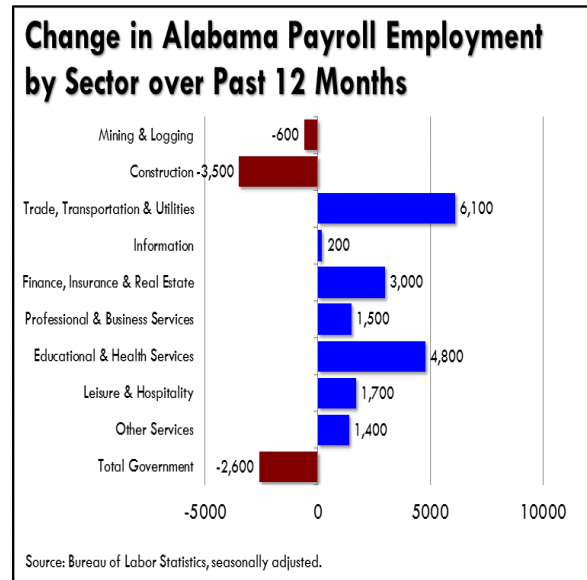
During September, total government payroll employment in Alabama declined by 2,100, or 0.55 percent. Federal government payroll employment was unchanged. State government payroll employment declined by 1,600, or 1.45 percent, while local government payroll employment declined by 500, or 0.23 percent.

Over the past year, total government payroll employment declined by 2,600, or 0.69 percent. State government payroll employment declined by 2,700, or 2.42 percent. Local government payroll employment declined by 800, or 0.37 percent.



The best performing sectors on a seasonally adjusted basis during September were Trade, Transportation & Utilities (+3,000) and Information (unchanged). The poorest performing sectors during the month were Total Government (-2,100) and Professional & Business Services (-2,000).

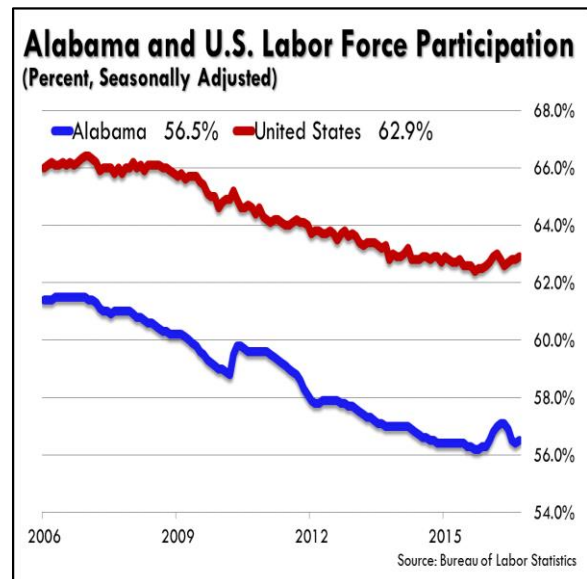
The best performing sectors during the last twelve months were Trade, Transportation & Utilities (+6,100) and Educational & Health Services (+4,800). The poorest performing sectors during the last twelve months were Construction (-3,500) and Total Government (-2,600).



Other Alabama Labor Force Statistics

The labor force participation rate in Alabama rose to 56.5 percent in September from 56.4 percent the prior month. At 56.5 percent, Alabama has one of the five lowest labor force participation rates in the nation. The labor force participation rate in Alabama is 0.7 percentage point lower than a year earlier. The labor force participation rate is the percentage of the civilian noninstitutionalized population age 16 and older who are employed or actively looking for work.

The 10-year high for the labor force participation rate in Alabama was 61.5 percent in December 2006. The series high for the labor force participation rate in Alabama occurred in September 1997 when the labor force participation rate hit 64.6 percent. The 10-year low for the labor force participation rate was 56.2 percent in October 2015. This also represents the series low for the labor force participation rate in Alabama.

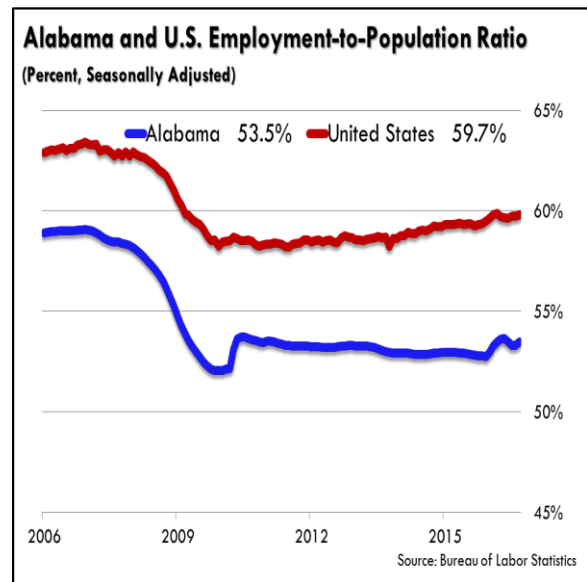


The national labor force participation rate rose by 0.1 percentage point to 62.9 percent in September, but remains near its 38-year low of 62.4 percent.

The employment-to-population ratio, or the percentage of the Alabama civilian noninstitutionalized population 16 years and older counted as employed, rose to 53.5 percent in September from 53.3 percent the prior month. At 53.5 percent, Alabama has one

of the five lowest employment-to-population ratios in the nation. The employment-to-population ratio in Alabama is 0.7 percentage point higher than a year earlier.

The 10-year high for the employment-to-population ratio in Alabama was 59.1 percent in December 2006. The series high for the employment-to-population ratio in Alabama occurred in April 1998 when the employment-to-population ratio hit 61.4 percent. The 10-year low for the employment-to-population ratio was 52.0 percent in December 2009. The series low for the employment-to-population ratio occurred in March 1983 when the employment-to-population ratio was 50.7 percent.



The national employment-to-population ratio rose by 0.1 percentage point to 59.8 percent in September. That rate was 0.5 percentage point higher than a year earlier. The all-time high for the employment-to-population ratio was 64.7 in April 2000. The 10-year high for the employment-to-population ratio was 63.4 percent in December 2006. The recent low occurred in October 2013 when the employment-to-population ratio dipped to 58.2 percent. The last time the employment-to-population ratio posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for October is scheduled for release on November 18, 2016. The national employment situation report for October will be released on Friday, November 4, 2016.